
H O U S I N G



General Description

The 1980's was a decade of dramatic changes in the North Cambridge housing market. Once one of the most affordable neighborhoods in the City, sales prices have now equalled or surpassed city-wide prices. Despite these trends, North Cambridge shows signs of residential stability as nearly three out of four properties (72%) are owner occupied.

As of 1988, according to the Cambridge Office of Revaluation, there were 1,800 residential properties in North Cambridge, of which nearly three fourths (72%) were owner-occupied. In the same year, there were 5,066 housing units in the neighborhood, an increase of 166 units since 1980. At that time, according to the US Census, there were 4,900 units of which 4,596 (94%) were occupied. The additional units were gained through the construction of new townhouses and duplexes (82 and six units respectively) and the North Cambridge Senior Center (51 elderly units), as well as the conversion of a nursing home on Chester Street and the Lincoln School (27 units total).

The large majority (76%) of the housing units are in one and two family houses. Less than one-fifth (19%) of the units are in three family houses, while five percent are located in four or more family buildings.

1988
Number of Units per Building

Number of Units	% of Buildings
1	35%
2	41%
3	19%
4-8	4%
9+	1%
Total	100%

Over half of the existing housing stock was built before 1940. Much of it dates from the 19th century when the extension of the railroad and the construction of the West Boston (Longfellow) Bridge opened up North Cambridge to Boston investors for both industrial and residential development. The growth of the brick yards and other industries spawned housing for the new workers, particularly along Rindge Avenue and Sherman Street. In the early 20th century, the neighborhood grew more dense as numerous two family residences were built to house increasing numbers of workers and their families.

The majority of the housing stock in the neighborhood appears, on the exterior, to be in relatively good condition. A recent study by Homeowners' Rehab, Inc. determined that 310 residences (17%) are in need of some level of renovation. Of these, two thirds (213 buildings) need cosmetic work only, 91 require moderate renovations, and the remaining six need major rehabilitation.

Condominiums

As of 1988, according to the Cambridge Office of Revaluation, North Cambridge had 49 condominium buildings, totaling 315 dwelling units. Three-fourths of the buildings (36) contain two or three units having been converted from two and three family homes. The remaining thirteen buildings include detached single family homes which may have been subdivided internally, as well as larger buildings.

Most condominium conversions have occurred since 1980. Prior to that year, only four multi-family buildings for a total of 53 units had been converted. In 1980 alone, the number of condominium units nearly tripled from 53 to 156 units when an additional three buildings converted. Two buildings, high rises on Massachusetts Avenue, accounted for nearly all of the new units that year. After 1980, the greatest number of conversions took place when fourteen buildings containing 61

units were converted. The high number of conversions yielding a relatively low number of condominium units indicates that most of the buildings converted were much smaller than the buildings

that were converted in the early 1980's. This change is largely due to the rent control ordinance which restricts the conversion of apartments in all buildings over three units.

**New Construction, Reuse & Extensive Renovation
North Cambridge: 1980-1987**

Year	Address	Units	Type	New/Reuse	Condo
1980	2-4 Chester St.	8	TH	N	Yes
1981	2143-2157 Mass Ave.	11	TH	N	No
	8-8A Cogswell Ave.	2	DPX	N	No
	41-47 Cogswell Ave.	38	TH	N	No
1982	10 Chester St.	7	■	R	Yes
1983	171-179 Sherman St.	4	TH	R	No
	2050 Mass Ave.	51	MF	N	No
1984	35-41 Walden St.	20	●	R	Yes
	37 Harvey St.	5	TH	N	No
1985	12-14 Shea Rd.	2	DPX	N	No
	21 Cogswell Ave.	6	TH	N	Yes
	6 Chester St.	3	TH	N	No
1986	203 Pemberton St.	7	TH	N	Yes
1987	146 Rindge Ave.	2	DPX	N	No
Total New Units		166			

TH: Townhouse
 DPX: Duplex
 MF: Multifamily
 ■: Reused nursing home
 ●: Reused school building

Rentals

The majority of housing units in North Cambridge are rented. This has been consistent over time and is similar to city-wide rental patterns. From 1970 to 1980, the number of renters to owners increased slightly; however, the results from the 1988 North Cambridge Demographic Survey indicate that number of homeowners may have increased somewhat since 1980. This increase in homeowners may be due in part to the number of condominium conversions that took place during the 1980's.

Proportion of Renters to Owners

	Renters	Owners
1970	70.9%	29.1%
1980	73.5%	26.5

Rental Levels

Historically, rents in North Cambridge have been slightly lower than the city-wide median rent, and lower than in the surrounding west Cambridge neighborhoods.

Median Contract Rent

	North Cambridge	Cambridge
1970	\$110	\$119
1980	\$200	\$219

The 1988 demographic survey found that two thirds of all tenants pay a monthly rent of \$600 or less. Nearly one-fourth pay between \$601-\$900 per month.

1988

North Cambridge Rent Levels

\$300 or less	24%
\$301 - \$600	42%
\$601 - \$900	23%
\$901 - \$1200	5%
Over \$1200	2%
Unknown	4%
Total	100%

Rent Controlled Housing

According to the Cambridge Rent Control Board, North Cambridge has 942 rent controlled units in 296 buildings. This accounts for 17 percent of all structures and 37 percent of all rental units in the neighborhood.

Rent Levels in Rent-Controlled Units

Rent	Percent of RC Units
\$300 or less	51%
\$301 - \$600	45%
Over \$600	4%
Total	100%

Subsidized Housing

Over one-fourth (1,377 units) of all the housing in North Cambridge receive some form of public subsidy, either through the tenant or the owner. Subsidized units are located in five Cambridge Housing Authority developments, the privately owned Fresh Pond Apartments (Rindge Towers) or in private leased housing scattered throughout the neighborhood.

Location of Publicly-Owned Subsidized Units

Name	Address	Units	Housing Type
Daniel Burns Apts.	30-50 Churchill Ave	199	Elderly
Jackson Street Apts.	121 Jackson St.	10	Family
Jefferson Park	Rindge at Jackson	284	Family
Leonard J. Russell Apts.	2050 Mass. Ave.	51	Elderly
Robert Weaver Apts.	81 Clifton St.	20	Elderly
Total		564	

Location of Privately-Owned Subsidized Units

Name	Address	Units	Housing Type
Rindge Towers	362 Rindge Avenue	777	Fam/Elderly
Leased Housing tenants	(various locations)	36*	
Total:		813	

* 26 units located in Rindge Towers also receive additional subsidy; these units have not been included in this number to avoid double counting.

Sales

Until 1980, home prices in North Cambridge were among the lowest in the City. Throughout the 1960's and 1970's home prices were lower in North Cambridge than in the surrounding neighborhoods in the western section of Cambridge. They were consistently lower than prices city-wide. Prices rose slowly during these decades. When adjusted for inflation, prices increased an average of 15 percent for each four year period between 1961 and 1980.

During the 1980's, housing prices climbed dramatically to the point where they now equal or surpass prices city-wide. In the early years of the decade, home prices in North Cambridge rose to parallel prices city-wide. Median prices for one and two family homes rose from \$113,500 in 1984, to \$200,000 in 1985, to \$285,000 in 1986 representing an average increase of 59 percent each

year. In 1985 and 1986 home prices in North Cambridge rose above city prices. In those two years, the median cost for triple deckers in North Cambridge was \$50-60,000 higher than in Cambridge as a whole.

Median Price Trends

	1981-1983	1984-1986	%Change
1 Family	\$70,000	\$139,000	99%
2 Family	\$85,250	\$165,000	94%
3 Family	\$85,000	\$210,000	147%

Sales prices for condominiums followed similar trends, although at a lower price level than home sales. The median price stayed between \$60,000 and \$70,000 through 1984; however, prices nearly doubled from early to mid-decade, rising from \$65,000 to \$118,000.

Prices for newly constructed units, both condominiums and townhouses, were sometimes higher than the overall median prices in their respective sales years, although townhouse prices were actually lower than those for single family homes in 1983. Newly constructed condominiums were consistently higher than the median for all condominium sales, including conversions.

Price Trends For New Condominiums

Year	New Condo Sales	Median Price: New Condos	Median: All Condos
1981	5	\$72,000	\$63,900
1982	0	—	—
1983	1	\$102,000	\$60,100
1984	3	\$150,000	\$69,900
1985	3	\$165,000	\$93,000
1986	5	\$233,000	\$144,500

Price Trends For New Townhouses

Year	Median Price: New Home Sales	New Townhouse Sales	Median Price: All 1 Fam Sales
1981	0	—	—
1982	6	\$72,500	\$60,000
1983	8	\$75,475	\$99,000
1984	13	\$147,000	\$100,000
1985	5	\$150,000	\$141,500
1986	8	\$137,950	\$157,450

North Cambridge prices also paralleled closely those in the greater Boston area. Between 1981 and 1986, neighborhood single family prices rose from \$66,000 to \$157,450, while Boston area prices climbed from \$70,000 to \$159,200. North Cambridge prices for one to three unit homes were also fairly close to Arlington prices in the years studied.

Type and Volume of Sales

Between 1981 and 1986, 480 sales occurred in North Cambridge. Two hundred (42%) of these were sales of condominiums. Nearly half (43%) of all non-condominium sales were of single family houses, including townhouses. Slightly more than one third (35%) of the sales were of two family homes, while 15 percent were of three family residences. The lowest turnover (7%) occurred in multi-family buildings, most of these were four to eight unit buildings.

Home sales increased in volume from early to mid-decade. There were 33 to 35 sales annually between 1981 and 1983. In the years following, sales ranged from 47 to a peak of 72 sales in 1986. Sales of three family houses, in particular, were slow in the first three years, but rose steadily from 1984 to the present. In the latter years, many three deckers were subsequently converted to condominiums.

In contrast to the increased number of home sales, condominium sales peaked in 1981 with 55 sales; most of these were in three buildings along Massachusetts Avenue which had been recently converted. Sales were slower in 1982 and 1983, with 18 sales per year. However, volume increased steadily in the following years to reach a second peak in 1986 with 47 sales.

Sales Location and Turnover

Sales were dispersed widely throughout every section of the North Cambridge neighborhood, although many of the housing sales did occur in Porter Square as discussed below. The street with the most number of home sales was Cogswell Avenue, which had 33 sales (including townhouses). This was followed by Clifton (13), Dudley (11), Reed and Rindge (ten each), Montgomery, Harrington, and Rice (nine each), Jackson (eight) and Cedar with seven sales. Condominium sales, as mentioned, were concentrated on Massachusetts Avenue and Cogswell Avenue, as well as occurring on Chester, Rice, Clifton and other streets.

Eleven homes were re-sold during the six year period. Another 14 were sold, then converted and re-sold as condominium units. The streets where resales occurred are listed below:

Home Resales 1980-1986	Conversion and Resales 1980-1986
Cameron Avenue	Alberta Terrace (2)
Dudley Court	Cogswell Street
Harrington Street	Creighton Street (2)
Harvey Street	Davenport Street
Jackson Street	Madison Avenue
Locke Street	Mead Street
Madison Avenue	Pemberton Street
Milton Street	Reed Street
Rice Street	Regent Street
Rindge Avenue	Rice Street
Russell Street	Rindge Avenue

Porter Square Trends

Because of the concentration of sales occurring in Porter Square (see map on page 77), the area was analyzed to determine whether a distinct housing market exists there, particularly with the MBTA Red Line making the area more accessible.

Although Porter Square represents a relatively small portion of the neighborhood area, it accounts for a significant portion of all North Cambridge housing sales between 1981 and 1986. During those years, one fourth of all one to three family home sales occurred there. In the latter three years, one third of all single family home sales in North Cambridge were made there.

Condominium sales have been a major force in Porter Square's housing market, out numbering home sales nearly two to one in the early part of decade. In the six year study period, almost half of all North Cambridge condominium sales occurred here, many of them concentrated on Massachusetts Avenue and Cogswell Street.

Porter Square housing prices have not differed significantly from prices elsewhere in North Cambridge, with the exception of condominium sales.

Condominium prices were consistently higher than those in the rest of the neighborhood. Between 1981 and 1986, the median prices for condominiums in Porter Square rose from \$82,300 to \$166,500; elsewhere in North Cambridge, condominium prices climbed from \$42,000 to \$137,500.

Housing Affordability

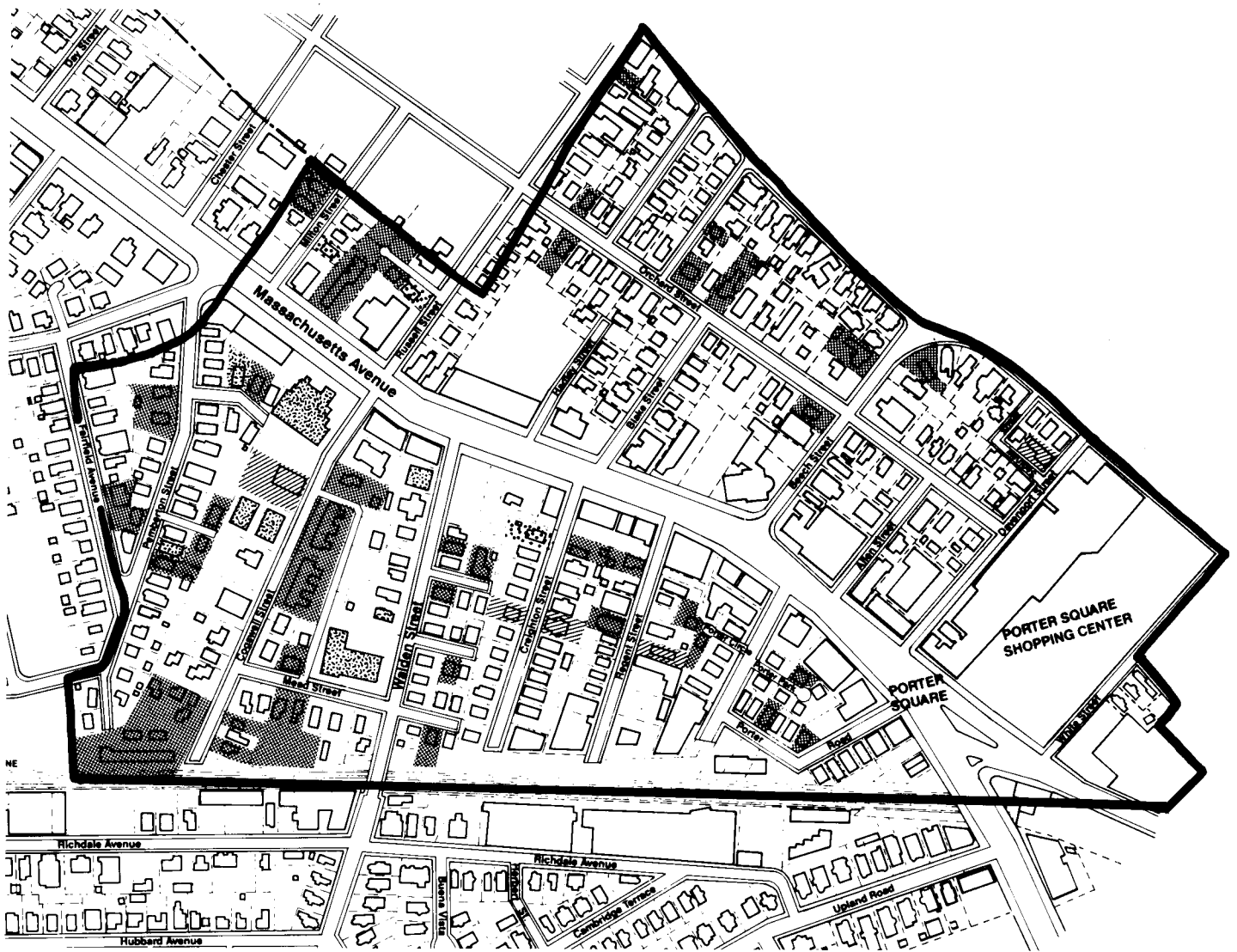
North Cambridge, once one of the City's most affordable neighborhoods for housing, has caught up with the rest of Cambridge. Sales prices have risen rapidly since 1981. (Every year, except for 1982, prices have risen substantially.) Buying a home requires a larger income than it once did. Rental opportunities are scarcer, as condominium conversions cut into the rental stock, and construction of new rental housing has all but ceased.

North Cambridge housing has been subject to the same forces driving the real estate market throughout the greater Boston area. In the 1980s, housing demand grew in concert with economic recovery, lower interest rates, changing demographics and favorable tax laws. Would-be homeowners and investors began to notice lower-cost, family-oriented neighborhoods such as North Cambridge. In a market where housing is relatively scarce, new demand forced prices up quickly.

Rising prices restrict opportunities for potential homebuyers in North Cambridge. The following table shows the median price for a single family home in 1981 and 1986, in constant 1986 dollars, and the income needed, in 1986 dollars, to purchase it.

Yearly Income Needed to Purchase One Family Home

Year	Median Price	Income Needed In Constant Dollars
1981	\$77,860	\$33,563
1986	\$157,450	\$47,374
% Change	102%	41%

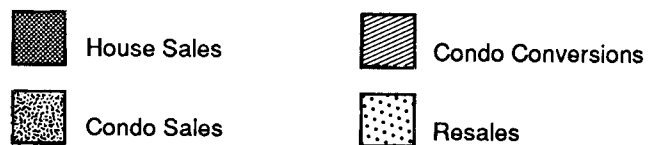


NORTH CAMBRIDGE NEIGHBORHOOD STUDY

PORTER SQUARE HOUSING SALES

City of Cambridge

Cambridge Community Development
Fall 1990



The median family income in 1980 for North Cambridge was \$17,123, or \$24,749 in 1986 dollars. While 1986 income data is unavailable, it appears that home prices are less accessible for a larger proportion of North Cambridge families.

Neighborhood Survey Results

(1) Two-thirds of all North Cambridge residents view high housing costs as a major problem in the neighborhood. This was equally true among homeowners and renters alike.

(2) Forty-nine percent of all North Cambridge residents think high rents are a major problem in the neighborhood.

(3) Over half of North Cambridge residents (57%) believe there is a need for more housing opportunities for residents of their neighborhood.

(4) Of those residents who perceive a need for more housing opportunities, 43 percent said there is a greater need for rental housing, 25 percent said there is a greater need for homeownership, and 21 percent said the need for both is equal (11% were unsure).

(5) Most North Cambridge renters (65%) expect to own a home one day, but only 13 percent think that they will be able to afford to purchase a home in their neighborhood.

(6) Sixty-three percent of North Cambridge homeowners are aware of the City's home improvement programs to fix up their homes; however, only 22 percent of North Cambridge residents are aware of programs which provide homeownership assistance.

(7) Most North Cambridge residents (81%) do not consider rundown homes to be a major problem in the neighborhood. Similarly, 84 percent of North Cambridge residents think the housing stock is in similar or better condition today than it was five years ago.

Study Committee Concerns

(1) **Preservation of Affordable Housing:** North Cambridge residents are proud of the relatively large amount of affordable housing situated within their neighborhood: 27 percent of the housing stock in North Cambridge is subsidized, compared to 12 percent of all units across the City. Preserving these units is one of the Committee's strongest housing goals. In addition, members wish to ensure that this mix of affordable housing will remain at the same or higher levels as new housing is built in the neighborhood.

(2) **Preservation of Diversity:** One of the most positive features of the North Cambridge neighborhood is the diversity of its population. Maintaining this mix of residents is an important priority of the Committee; however, the rising cost of housing is making it extremely difficult for long-time residents and their families to remain in the neighborhood. In addition, the high cost of housing prohibits many low and moderate income people from moving into the neighborhood. The Committee is concerned that if present trends continue, North Cambridge will only be affordable to a narrow segment of the population.

(3) **Maintenance of Existing Housing Stock:** According to a recent study conducted by Homeowners' Rehab, Inc., 17 percent of North Cambridge residential properties could use some level of renovation or cosmetic improvements. The Committee would like to ensure that all low and moderate income property owners who need home improvements are aware of the various financing programs which are available to them. Secondly, the Committee is concerned about those homeowners who need home improvement assistance but do not meet the City's income guidelines.

(4) **Preservation of Rental Housing at Fresh Pond Apartments (Rindge Towers):** Due to expiring Federal Section 8 subsidies and use restrictions, the future of many affordable units at Rindge Towers is uncertain. Three hundred thirty eight

subsidized units are in danger of losing their Section 8 status in 1991. In addition, the mortgage of one tower is eligible for prepayment in 1993. This means that the owner might be able to sell another 274 units at market rates. The loss of these units could displace hundreds of North Cambridge residents and drastically add to the affordable housing crisis.

(5) **Condominium Conversions:** Between 1980 and 1986, approximately 215 rental units were converted into condominiums. Because rental properties are the only means of affordable housing for many people, the Committee is concerned about this loss and the potential for a further reduction in the number of rental units through future condominium conversions. On the other hand, some Committee members view the conversions as a possible resource for creating more affordable homeownership opportunities for moderate income residents.

(6) **High Costs of New Housing Production:** Opportunities to produce more affordable housing for low and moderate income residents are becoming increasingly difficult. The scarcity of vacant land, high land values, and high construction costs severely limit the amount of affordable housing that can be built.

(7) **Rent Control:** The Committee supports the underlying intent of rent control; however, members would like to see these units being rented to those people who need them most. In addition, the Committee would like to find incentives for landlords to maintain and improve their buildings.

(8) **Density of Development:** Increasingly, new housing units are getting built without regard to the existing character of the neighborhood, nor do they take parking or traffic problems into account. Sometimes the neighborhood is asked to support greater density in order to receive a limited number of affordable units in a particular project. This dilemma is of concern to the Committee and will have to be addressed appropriately when areas within North Cambridge are rezoned.

(9) **Townhouse Bonuses:** Increasingly townhouses are being built as-of-right in North Cambridge. These dwellings concern the Committee because they are frequently built in the back yards of existing homes, thereby increasing density and reducing open space in the neighborhood. In addition, while the new units contribute to the traffic and parking problems experienced in the neighborhood, they do not contribute to the supply of affordable housing.

Housing Recommendations

(1) Given the scarcity of vacant land in North Cambridge, as well as high land values and construction costs, public agencies, non-profit groups, and the Stabilization Committee should concentrate their efforts on preserving the existing housing stock. The following methods should be employed:

- Continue to target and publicize public resources for housing rehabilitation to low and moderate income residents.
- Continue to work with neighborhood non-profit agencies to deliver housing rehabilitation services.
- Continue the level of coordination between public agencies and non-profit groups in order to maximize affordable housing opportunities.
- Support the conversion of existing rent controlled multi-family properties to resident-owned limited-equity cooperatives.
- Consider the creation of a program which could help capture some of the existing stock of affordable housing by offering to purchase a house before a homeowner places it on the open market. The house could then be sold at a below market rate to a qualified resident.

(2) Consider ways in which rent control could better serve low and moderate income people and incentives could be created to help landlords (or

interested tenants) maintain or improve their buildings.

(3) The City should set up a special Task Force to examine the expiring use restrictions and Section 8 subsidy programs in order to retain these units as affordable housing for low and moderate income tenants. It is critical that steps be taken immediately to preserve these affordable rental units.

(4) Examine the conversion of two and three family homes to condominiums in order to determine how such conversions affect the supply of affordable housing. Explore ways in which these conversions could become a potential source for creating new homeownership opportunities, such as forms of limited equity ownership.

(5) Work with private developers and public agencies to ensure that all new housing developments are built in scale and character with the surrounding neighborhood. Try to retain the present

mix of housing types as development continues in the neighborhood by encouraging the inclusion of affordable units in all new housing developments in North Cambridge.

(6) In those areas of North Cambridge which will undergo rezoning efforts, particular attention should be given toward rewriting the zoning so that affordable housing opportunities can be more easily created.

(7) Due to the high costs of new housing production, a wide range of options for strengthening the recently adopted incentive zoning amendment should be considered.

(8) The Planning Board is in the process of revising the City's townhouse ordinance to reduce the bonuses currently given for townhouse development. These changes will help to ensure that new townhouses being built will better conform to the surrounding neighborhoods and should be supported.